



NEW YORK STATE SENATOR

Kenneth P. LaValle

LaValle: LIPA/PSC Bill Passes Assembly; Long Island Power Authority Must Get Public Service Commission Approval Before Hiking Rates.

KENNETH P. LAVALLE June 16, 2011

| ISSUE: **CONSUMER PROTECTION, EDUCATION, ENERGY, ELECTRICITY**

New York State Senator Kenneth P. LaValle (R,C,I – Port Jefferson) said his legislation that would make rates fair, just and transparent by requiring the Long Island Power Authority (LIPA) to seek approval by the Public Service Commission (PSC) if LIPA seeks a rate increase by more than two and a half percent per year has been passed by the Assembly and is headed to the Governor's desk for his signature. If enacted, the PSC would be required to review and approve LIPA's rate increase requests before they are passed on to Long Island ratepayers. The bill was co-sponsored by Assemblyman Robert Sweeney.

LaValle introduced similar legislation in 2008 that passed both houses of the legislature but was vetoed by then Governor David Paterson.

Businesses and home owners are paying surcharges equal to that of their energy usage. "The costs included within LIPA's fuel surcharge should be subject to a public review to prove whether the charges were justified," LaValle said, and pointed to the recent revelation that LIPA over-collected \$136 million in fuel costs last year as proof that further oversight is needed.

“Long Island ratepayers will benefit from the comprehensive review of LIPA’s practices by the professional staff of the PSC,” LaValle said. We have suffered too long due to the lack of strong oversight of the practices and rate making of LIPA. This measure will protect businesses and homeowners from unfair rate hikes and ensure greater oversight of LIPA's rate increase practices," said LaValle, “and I will urge the Governor to sign this important legislation.”